



To: Carol Wehle, Executive Director

From: Eric Buermann, Governing Board Chairman
South Florida Water Management District

Date: January 23, 2008

Re: Budget /Policy Review and Efficiencies

In light of lower state revenue projections, increased construction costs and demands that continued water shortages place on our limited resources, I request that our staff review our current operational and administrative expenses and policies and make recommendations to the Governing Board on increased efficiencies, expense savings and resource allocations.

These are challenging and uncertain economic times for Florida governments. As Governor Crist has emphasized, however, we must lead by example and operate as efficiently and prudently as possible to ensure that critical flood protection, water supply and restoration work gets accomplished. Our District has taken commendable steps to reduce expenses over the past six months. In this short time, *ad valorem* efficiencies have achieved, for example, a 40-percent reduction in conference-related expenditures, a 21-percent reduction in agency-wide travel and a 24-percent savings in fleet costs. Our Governing Board recognizes that while our District already provides our fellow taxpayers an excellent return-on-investment, we can "tighten our belts" further and even redirect additional savings toward our environmental restoration projects.

These efforts should begin with the current FY08 budget, continue with FY09 budget planning, and extend to all areas of our District including, without limitation:

- Expenses such as fuel, utilities, leases, office supplies and commodities
- Optimization of the use of our aircraft, vehicles and other fleet resources
- Building improvements and facility relocations
- External contracting and consulting
- Training expenses
- Governing Board, advisory committee and employee travel and off site meetings
- Utilization by both our Governing Board members and staff of our District fleet of aircraft, vehicles, and equipment
- District sponsorships and memberships

While our stringent policies and procedures already meet the spirit and letter of law and serve us well, this additional review may identify other savings and emphasize to our taxpayers our commitment to fiscal and operational discipline. Lastly, I request our staff aggressively identify opportunities to increase the use of alternative fuels for vehicles and pump stations, and other "green technology" energy savings in line with Governor Crist's prior Executive Order.

We would like to begin pursuing this direction at the January 31 meeting of the Governing Board's Audit & Finance Committee. Our Governing Board thanks you and the staff team, as always, for all that you do for Florida.